fund is invested in Government securities and Bonds. Calculation of interest on monthly basis would increase the liability on this account which the Fund would not be able to support. This may lead to a reduction in the rate of annual interest to the members of the Fund, which would not be in their interest. Secondly, crediting of interest on a monthly basis would lead to accounting problems.

(d) Government does not contemplate any steps in this regard as no financial loss is being caused to the members of the Coal Mines Provident Fund.

Deterioration in the performance of NLC

1994. SHRI SATISH PRADHAN : Will the Minister of COAL be pleased to state:

(a) whether there has been a deterioration in the performance of Neyveli Lignite Corporation during the year 1991-92 as compared to the previous year;

(b) if so, the reasons therefor;

(c) whether Mine II of Neyveli Lignite Corporation got flooded due to failure of management causing damage worth over rupees one crore while Mine I with similar condition remain unaffected;

(d) what is the outcome of the report of enquiry committee;

(e) what are the details regarding total loss of production machinery and responsibility fixed and action taken thereon; and

(f) what is the status of modernisation proposal and its estimated cost and the cost of alternative proposal of Bucket Wheel Escalator and justification therefor ?

THE DEPUTY MINISTER IN THE MINISTRY OF COAL (SHRI S. B. NYAMAGOUDA) : (a) and (b) No, Sir. NLC Ltd. has earned a higher profit of Rs. 101.69 crores (Prov.) in 1991-92 compared to a profit of Rs. 95.24 crs. earned during 1990-91.

(c) and (d) : Mine II of NLC got flooded in the middle of November, 1991. The flooding was on account of excessive rainfall and was not due to failures on the pail of NLC management. Since Mine I is on a higher ground, it was not affected.

The situation arising out of the flooding of Mine II and consequent stoppage of TPS II was enquired into and the findings of the enquiry made have been accepted by the Govt. The enquiry report do not reflect failure of responsibility of any officials or of the management.

(c) The details of loss in production are :

ii) Overburden—17.07 lakh cu. Metres

lii) Lignite—7.64 lakh tonnes

(iii) Power generation—424 million unite

There was no loss of machinery.

However, Rs. 0.46 crore expenditure was incurred on salvaging, repair and restoration of equipment.

The estimated shortfall in income and extra expenditure on account of the flooding is about Rs. 47.91 crs.

(f) The only modernisation proposal sanctioned in NLC at present is in respect of TPS I. (consisting of 600 MW—6 units of 50 MW each and 3 units of 100 MW each). The life extension of TPS I has been sanctioned by the Govt, in March '92 at a cost of Rs. 315.23 crs. Revamping of units I & IX has commenced. The revamping of other units would be taken up in phases.

NLC's proposal for procurement of a Float Machine (Bucket Wheel Excavator of 1400 litre capacity) was sanctioned by the Govt, in March '89 at a cost of Rs. 77.37 crs. (7/88 base). Revised Cost Estimates in respect of this machine at cost of Rs. 148.44 crs. (4/92 base) is under consideration of the Government.

With the introduction of float machine, the production of lignite in Mine II will be sustained at its sanctioned capacity of 10.5 rn.t. per annum and it will also give incremental production of 1.00 m.t. per annum. in Mine I,